

February 4, 2009
Testimony – SB 234
Senate Business and Labor

Good morning, Mr. Chair and Members of the Committee. For the record, my name is Susan Witte. I serve as Vice President and General Counsel for Allegiance Benefit Plan Management, Inc., a third party administrator in Missoula.

I also serve in that same capacity for Allegiance Life & Health Insurance Company, Inc., Montana's newest group health insurance company.

With all due respect to the sponsor and the people who have testified for the bill today, Allegiance is opposed to SB 234. We are not, however, opposed to coverage for autism as it currently is available under mental health parity laws.

Health insurance covers the disorder of autism on the federal and state side, with mental health parity covering autism as one of the severe mental illness disorders codified in Montana's Insurance Code. Under mental health parity, insurance policies must provide a medical level of benefits for the necessary care and treatment of severe mental illness, including autism, that is no less favorable than that level provided for other physical illnesses generally.

Parity is relatively straightforward: a group health plan with annual or lifetime dollar limits for medical/surgical benefits must apply those same, or higher, dollar limits for mental health benefits.

One of our concerns is that SB 234 removes autism as a covered diagnosis under mental health parity, and takes away those protections.

Under SB 234, while there is a cap of \$50,000, the scope of services under the bill is very broad with an emphasis on what appears to be educational activities, respite care and environmental modifications. These are not in the nature of health care services provided by insurance companies.

In this difficult realm of needs and services, there are public initiatives.

The state of Montana recently announced a \$2 million a year program to serve 45 children 20 to 25 hours per week with intensive, in-home autism therapy, for up to three years.

This is not health insurance; this is a Medicaid home and community waiver program administered by the Montana Department of Public Health and Human Services.

The point is, look how much the state will spend per year on 45 children who need intense autism therapy, where these services are generally not available as treatments for mental illness.

This bill is an expensive exercise for Montana's insurance consumers to pay for coverage and services not normally available, even under the mental health parity coverage.

The State's Health Care Benefits Division's calculations for the state employee health benefit plan illustrate the tremendous impact, in real dollars, for people who are paying insurance premiums: the average additional out-of-pocket dependent premium needed per month, with passage of this bill, would be \$30.14 (FY 2010), \$32.85 (FY 2011), \$35.81 (FY 2012), and \$39.03 (FY 2013).

We need to learn more about healthcare coverage and treatment of autism and to learn more, we need to better understand what is happening in the field of autism. What causes autism? What are its origins? Genetic? Toxins? Why is it four times more likely to occur in boys than girls? Why does it appear to be on the rise? What is effective? Can insurance fix it?

Currently there is no cure for autism.

The good news is that in 2006, Congress passed the Combating Autism Act, which provides almost \$1 billion over five years for autism spectrum disorder and developmental disabilities research, screening, treatment and education.

Autism is the top disabilities priority of the new administration. The Obama/Biden White House Agenda for Disabilities lists these key elements in its support for Americans with Autism Spectrum Disorders (ASD) and their families:

- support increased funding for autism research, treatment, screenings, public awareness, and support services. There must be research of the treatments for, and the causes of ASD.
- Support improving life-long services for people with ASD for treatments, interventions and services for both children and adults with ASD.
- Support funding for the Combating Autism Act and working with Congress, parents and ASD experts to determine how to further improve federal and state programs for ASD.
- Support universal screening of all infants and re-screening for all two-year olds, the age at which some conditions, including ASD, begin to appear. These screenings will be safe and secure, and available for every American that wants them.

Until more is learned through other measures, particularly federal research and activities, which the federal government is prepared to assume, we don't think it is appropriate to pass this measure.

Thank you.